

FACT II Acquisition Corp.

Related Person Transaction Policy

Adopted November 25, 2024

Introduction

This Policy was created and adopted by the Board of Directors (the “**Board**”) of FACT II Acquisition Corp. (the “**Company**”) to:

- assist the Board in reviewing, approving and ratifying related person transactions; and
- assist the Company in preparing the disclosure to be included in the Company’s applicable filings as required by the Securities Act of 1933 and the Securities Exchange Act of 1934 and their related rules.

This Policy is intended to supplement, and not to supersede, our other policies that may be applicable to or involve transactions with related persons, such as our policies for determining director independence and our Code of Ethics.

Transactions Covered By This Policy

Transactions covered by this Policy include any Transaction which is or may be a Related Person Transaction, as defined herein.

For purposes of this Policy, the following definitions apply:

“**Immediate Family Member**” means a child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, or any person sharing the household (other than a tenant or employee).

“**Related Person**” means:

- any director or executive officer of the Company;
- any Immediate Family Member of a director or executive officer of the Company;
- any nominee for director and the Immediate Family Members of such nominee; and
- a 5% beneficial owner of the Company’s voting securities or any Immediate Family Member of such owner.

“**Related Person Transaction**” means any Transaction involving the Company in which a **Related Person** has or will have a direct or indirect material interest, as determined by the Committee.

“**Transaction**” means any financial transaction, arrangement or relationship or any series of similar transactions, arrangements or relationships. The term also includes

indebtedness and guarantees of indebtedness and transactions involving employment and similar relationships.

Person Responsible For Applying This Policy

Any Related Person Transaction must be approved or ratified by the Audit Committee (the “Committee”).

Reporting and Approval Procedures

Each director, director nominee and executive officer shall promptly notify the Chief Executive Officer of any Transaction involving the Company and a Related Person. The notice shall include a complete description of the Transaction including:

- the name of the Related Person and the basis on which the person is a Related Person;
- the Related Person’s interest in the Transaction with the Company, including the Related Person’s position(s) or relationship(s) with, or ownership in, a firm, corporation, or other entity that is a party to, or has an interest in, the Transaction;
- the approximate dollar value of the amount involved in the Transaction;
- the approximate dollar value of the amount of the Related Person’s interest in the Transaction, which shall be computed without regard to the amount of profit or loss;
- the benefits to the Company of the proposed Transaction;
- an assessment of whether the proposed Transaction is on terms that are comparable to the terms available to an unrelated third party or to employees generally; and
- any other information regarding the Transaction or the Related Person in the context of the Transaction that could be material to investors in light of the circumstances of the particular Transaction.

The Chief Executive Officer will present any new Related Person Transactions, and proposed Transactions involving Related Persons, to the Committee at its next occurring regular meeting. The Committee shall review Transactions to determine whether the Related Person involved has a direct or indirect material interest in the Transaction. If the Committee determines that a Transaction is a Related Person Transaction, it shall proceed with its review as described below. The Committee may conclude, upon review of all relevant information, that the Transaction does not constitute a Related Person Transaction, and thus that no further review is required under the Policy. On an annual basis, the Committee shall review previously approved Related Person Transactions, under the standard described below, to determine whether such Transactions should continue.

In reviewing the Transaction or proposed Transaction, the Committee shall consider all relevant facts and circumstances, including without limitation the commercial reasonableness of the terms, the benefit and perceived benefit, or lack thereof, to the Company, opportunity costs of alternate transactions, the materiality and character of the Related Person’s direct or

indirect interest, and the actual or apparent conflict of interest of the Related Person. The Committee will not approve or ratify a Related Person Transaction unless it shall have determined that, upon consideration of all relevant information, the Transaction is in, or not inconsistent with, the best interests of the Company and its shareholders. No member of the Committee shall participate in any review, consideration or approval of any Transaction with respect to which such member or any of their immediate family members is the Related Person.

If after the review described above, the Committee determines not to approve or ratify a Related Person Transaction (whether such Transaction is being reviewed for the first time or has previously been approved and is being rereviewed), the Transaction will not be entered into or continued, as the Committee shall direct.

Reporting and Ratification Procedures

In the event the Chief Executive Officer becomes aware of a Related Person Transaction that has not been previously approved or previously ratified under this Policy:

- If the Transaction is pending or ongoing, it will be submitted promptly to the Committee. The Committee shall consider all of the relevant facts and circumstances provided above. Based on the conclusions reached, the Committee shall evaluate all options, including, but not limited to, ratification, amendment or termination of the Related Person Transaction.
- If the Transaction is completed, the Committee shall evaluate the Transaction, taking into account the facts and circumstances provided above, to determine if rescission of the Transaction is appropriate.
- In either case, the Committee may direct one or more executive officers, the Company's internal auditors and/or the Company's independent registered public accounting firm to evaluate the Company's internal controls and procedures to determine why the Transaction was not submitted to the Committee for prior approval and to report whether any changes to the Company's internal controls and procedures are recommended.

Exceptions

Notwithstanding the foregoing, the following types of transactions are deemed not to create or involve a material interest on the part of the Related Person and will not be reviewed, nor will they require approval or ratification, under this Policy:

- Transactions involving the purchase or sale of products or services in the ordinary course of business, not exceeding \$120,000.
- Transactions involving less than 1% of the average of the company's total assets at year end for the prior two completed fiscal years in the aggregate over the duration of the Transaction (without regard to profit or loss), provided that the aggregate Transaction amount does not exceed \$120,000.
- Transactions involving the purchase or sale of products or services in the ordinary course of business involving a Related Person who is a Related Person by virtue of its ownership of the Company's common stock.

- Transactions in which the Related Person's interest derives solely from his or her service as a director of another corporation or organization that is a party to the Transaction.
- Transactions in which interests arising solely from the Related Person's position as an executive officer of another entity that, during any of the three (3) preceding fiscal years, made payments to, or received payments from, the Company for property or services in an amount not exceeding the greater of \$1 million or 2% of such other entity's consolidated gross revenues during such fiscal year.
- Transactions in which the Related Person's interest derives solely from his or her ownership of less than 10% of the equity interest in another person (other than a general partnership interest) which is a party to the Transaction.
- Transactions in which the Related Person's interest arises from a relationship with an entity in which the Company or any of its affiliates makes investments in the ordinary course of such entity's investment business and on terms and under circumstances similar to those available to or from entities unaffiliated with such Related Person.
- Transactions in which the Related Person's interest derives solely from his or her ownership of a class of equity securities of the Company and all holders of that class of equity securities received the same benefit on a pro rata basis.
- Transactions in which the Related Person's interest derives solely from his or her service as a director, trustee or officer (or similar position) of a not-for-profit organization or charity that receives donations from the Company, which donations are made pursuant to the Company's matching program, as a result of contributions by employees, that is available on the same terms to all employees of the Company.
- Compensation arrangements of any executive officer, other than an individual who is an Immediate Family Member of a Related Person, if such arrangements have been approved or recommended to the Board for approval by the Compensation Committee.
- Director compensation arrangements, if such arrangements have been approved by the Board.
- Transactions in which the rates or charges involved in the Transaction are determined by competitive bids, or the Transaction involves the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority.
- Any Transaction with a Related Person involving services as a bank depository of funds, transfer agent, registrar or trustee under a trust indenture, or similar services.
- Indemnity payments made to directors and executive officers in accordance with the Company's Memorandum and Articles of Association and applicable laws.

Review

At each calendar year's first scheduled Board meeting, the Board shall review this Policy and make changes as appropriate.